



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Statement of Sen. Chuck Grassley
Chairman, Committee on Finance
on the Benefits to Rural America in the Medicare Legislation Conference Agreement
Wednesday, Nov. 19, 2003

We're closer than ever to the most dramatic improvement in rural health care any Congress has ever considered: A \$25 billion commitment over 10 years. I want to quickly review how we got here. Last year, Senator Baucus and I put together a bipartisan package of rural health care improvements when it became clear we couldn't get a drug bill done. But the Baucus/Grassley bill never got an up or down vote. Still, we've been committed to staying the course and finishing the job ever since. This year, we worked to include a rural package that was not paid for with money for prescription drugs. Our provisions are offset by other program changes, not by seniors' prescription drug money.

We were the leaders on this. Only after we succeeded in attaching our package to the tax bill in May – on a vote of 86-13 – did the President and the House take notice and change their tune. Our package was dropped from the tax conference, but we got a letter from the White House pledging its full support. Then, the House mimicked most of our policies in its drug bill, even though many of its urban members were opposed. So both bills wound up with basically the same solid rural package. The Senate was the driving force for this. This conference report includes the best from both bills. It makes great strides in truly improving rural inequities.

These formulas have been held hostage for too long by powerful committee chairmen from big cities. As a result, the payments have favored urban areas at the expense of rural states. This conference agreement begins to end that favoritism once and for all. That, in and of itself, is truly remarkable. Under the agreement, hospitals, doctors, home health agencies, and ambulance companies in states like Iowa will see dramatic improvements in their Medicare payments. "Equal pay for equal work" is a guiding principle here. And we've made great strides toward that goal. These rural equity issues are bipartisan, and bicameral. They have the support of the President of the United States. But most importantly, they have the strong support of the people who live and work in rural America. And that, more than any presidential pronouncement, is why we are standing here so close to victory today. I am urging all of my colleagues, Republican and Democrat, from states like mine to understand that this is the best thing rural America has ever seen when it comes to improving Medicare equity. I think they'll each be hard-pressed to explain why they walked away from this if they vote against our overall bill.